

CONNECTICUT GENERAL ASSEMBLY
Friday, March 7, 2014

TESTIMONY OF ADAM J. COHEN
TO THE PLANNING AND DEVELOPMENT COMMITTEE
ON PROPOSED HOUSE BILL 5348, "AN ACT CONCERNING
THE PAYMENT OF DELINQUENT PROPERTY TAXES"

My name is Adam J. Cohen and I am an attorney with the law firm of Pullman & Comley in Bridgeport. I have advised and represented approximately one-third of all the towns in Connecticut, plus dozens of taxing districts and similar municipal entities, with respect to their revenue collection efforts and practices. I also serve as general counsel to the Connecticut Tax Collectors Association, a trade group primarily devoted to educating municipal revenue collectors and standardizing the procedures they use to fulfill their responsibilities.

I wish to convey to this Committee my concern with House Bill 5348, "An Act Concerning the Payment of Delinquent Property Taxes." This bill would amend General Statutes § 12-144b by adding language that says a person making a partial payment for delinquent municipal taxes may direct which of multiple properties to which it will be applied. For example, a taxpayer who owes both a real estate tax and motor vehicle tax could specify that a particular payment be applied to one rather than the other. I do not oppose this portion of the bill. In fact, this proposal appears to be merely a clarification of the words "specific property" which already appear in this statute, and consistent with the existing practice of our municipal tax collectors' offices statewide which honor these types of instructions from taxpayers except where otherwise required by law. The bill would also add the word "first" before "to expenses" at the end of line 6 to give parity between the two subparagraphs, which is also sensible.

My sole concern is with the portion of House Bill 5348 which would delete the word "first" at the beginning of line 6. This change could be interpreted as undoing Section 20 of Public Act 13-276 adopted last year which requires tax collectors to apply partial payments to unsecured tax debts before lien tax debts unless the taxpayer specifies otherwise. The reason this statute was divided into subparagraphs last year was to make that default application clear, since unsecured tax debts are more difficult and expensive for municipalities to enforce. Again, our law is now and has always been that a taxpayer can specify to which of several delinquent properties a particular payment should be applied. However, when the taxpayer *does not* give that direction, the tax collector should be required to apply the payment to any unsecured tax debt first. House Bill 5348 should not delete the word "first" as it currently exists in line 6, to avoid any confusion as to the order of applying unspecified payments.

With that simple correction, I believe House Bill 5348 is consistent with the intention and practical application of our municipal tax collection statutes. Thank you.